



TEXAS DEPARTMENT OF INSURANCE

Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)

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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name

Doctors Hospital at Renaissance

Respondent Name

Edinburg Consolidated ISD

MFDR Tracking Number

M4-17-0196-01

Carrier's Austin Representative

Box Number 29

MFDR Date Received

September 26, 2016

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "After reviewing the account we have concluded that reimbursement received was inaccurate. Based on CPT Code 97140, allowed amount of \$28.97 x 2 multiplied at 200%, CPT Code 97112, allowed amount of \$32.51, multiplied at 200% and CPT Code 97001, allowed amount of \$73.09, multiplied at 200% reimbursement should be \$392.10. Payment received was only \$122.29, thus, according to these calculations; there is a pending payment in the amount of \$269.81."

Amount in Dispute: \$269.81

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "Carrier has correctly made reimbursement on the charges made the basis of this dispute. Specifically, charges have been reduced for fee schedule, lack of preauthorization and coding issues. I have attached copies of the EOBs which clearly detail this information line by line."

Response Submitted by: Pappas & Suchma, P.C.

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
May 4, 2016	97112, 97001	\$269.81	\$20.84
May 31, 2016	97140, 97112		

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.203 sets out the reimbursement guidelines for professional medical services.
3. 28 Texas Administrative Code §134.403 sets out reimbursement guidelines for services provided in an

outpatient setting.

4. 28 Texas Administrative Code §134.600 sets out preauthorization requirements.
5. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
 - RC 01 – The charge for the procedure exceeds the amount indicated in the fee schedule
 - RC @G – No additional reimbursement allowed after review of appeal/reconsideration
 - RC HA – The listed treatments include management during the TDI-DWC’s medical fee guidelines in rule 28 of the Texas Administrative Code 134.203(a)(5) and (b) (1) require the submission of an appropriate functional reporting “G” HCPCS code with a valid impairment modifier
 - T193 – Original payment decision is being maintained. Upon review it was determined that this claim was processed properly
 - T191 – No additional reimbursement allowed after review of appeal/reconsideration
 - T197 – Payment denied/reduced for absence of, or exceeded, pre-certification and/or authorization
 - T133 – Level 1 appeal means a request for reconsideration under 133.250
 - P12 – Workers Compensation State Fee Schedule Adjustment

Issues

1. Are the insurance carrier’s reasons for denial or reduction of payment supported?
2. What is the applicable rule that pertains to reimbursement?
3. Is the requestor entitled to additional reimbursement?

Findings

1. The services in dispute are physical therapy services provided in an outpatient setting.

The requestor is seeking an additional payment of \$269.81. The carrier made a payment of \$122.29 for codes for date of service May 31, 2016 for codes 97112– “Therapeutic procedure, 1 or more areas, each 15 minutes; neuromuscular reeducation of movement, balance, coordination, kinesthetic sense, posture, and/or proprioception for sitting and/or standing activities” and 97140 – “Manual therapy techniques (eg, mobilization/ manipulation, manual lymphatic drainage, manual traction), 1 or more regions, each 15 minutes. The payment was reduced with remark code P12 – “Workers Compensation State Fee Schedule Adjustment.”

The code 97001 – “Physical therapy evaluation” for date of service May 4, 2016, as was denied as HA – “The listed treatments include management during the TDI DWCs medical fee guidelines in rule 28 of the Texas Administrative Code 134.203(a)(5) and (b)(1) require the submission of an appropriate functional reporting G HCPCS code with a valid impairment.”

The code 97112 – “Therapeutic procedure, 1 or more areas, each 15 minutes; neuromuscular reeducation of movement, balance, coordination, kinesthetic sense, posture, and/or proprioception for sitting and/or standing activities” for date of service May 4, 2016, was denied with 197 – “Precertification/authorization/notification absent.”

2. Review of the submitted medical claims finds the “type of bill” is “131” or Outpatient Hospital. Therefore, these services are subject to provisions of 28 Texas Administrative Code 134.403(d) which states in pertinent part,

For coding, billing, reporting, and reimbursement of health care covered in this section, Texas workers' compensation system participants shall apply Medicare payment policies in effect on the date a service is provided

The Medicare payment policy that applies to code 97001 is found at www.cms.gov, Claims processing Manual, Chapter 5, Section 10.6, Paragraph D and G, that states in pertinent parts,

D. Providers and Practitioners Affected.

The functional reporting requirements apply to the therapy services furnished by the following providers: hospitals, CAHs, SNFs, CORFs, rehabilitation agencies, and HHAs (when the beneficiary is not under a home health plan of care).

G. Functional reporting using the G-codes and corresponding severity modifiers is required reporting on specified therapy claims. Specifically, they are required on claims:

- *At the outset of a therapy episode of care (i.e., on the claim for the date of service (DOS) of the initial therapy service);*
- *At least once every 10 treatment days, which corresponds with the progress reporting period;*
- *When an evaluative procedure, including a re-evaluative one, (HCPCS/CPT codes 92521, 92522, 92523, 92524, 92597, 92607, 92608, 92610, 92611, 92612, 92614, 92616, 96105, 96125, **97001**, 97002, 97003, 97004) is furnished and billed;*

The Division finds the carriers' denial of code 97001 for required functional reporting is supported. No additional payment is recommended.

Regarding the denial of code 97112 for preauthorization. 28 Texas Administrative Code 134.600 (p) states in pertinent part,

Non-emergency health care requiring preauthorization includes

(2) outpatient surgical or ambulatory surgical services as defined in subsection (a) of this section;

(5) physical and occupational therapy services, which includes those services listed in the Healthcare Common Procedure Coding System (HCPCS) at the following levels:

(A) Level I code range for Physical Medicine and Rehabilitation, but limited to:

- (i) Modalities, both supervised and constant attendance;
- (ii) Therapeutic procedures, excluding work hardening and work conditioning;

The requestor provided insufficient evidence to support prior authorization was obtained for this service for the May 4, 2016 date of service. Therefore, the carriers' denial is supported. No additional payment is recommended.

The remaining date of service in dispute, (May 31, 2016) will be reviewed below to determine the workers compensation fee schedule amount.

3. For services performed in an outpatient hospital setting, are subject to the requirements of 28 Texas Administrative Code 134.403 (d) which states in pertinent part,

For coding, billing, reporting, and reimbursement of health care covered in this section, Texas workers' compensation system participants shall apply Medicare payment policies in effect on the date a service is provided...

The applicable Medicare payment policy is found at www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/HospitalOutpatientPPS.

The resource that define the components used to calculate the Medicare payment for OPSS are found below:

- **APC payment groups** - Each HCPCS code for which separate payment is made under the OPSS is assigned to an ambulatory payment classification (APC) group. The payment rate and coinsurance amount calculated for an APC apply to all of the services assigned to the APC. A hospital may receive a number of APC payments for the services furnished to a patient on a single day; however, multiple surgical procedures furnished on the same day are subject to discounting. The relevant payment amount for each APC may be found at: www.cms.gov, Medicare/Medicare-Fee-for-Service-Payment/HospitalOutpatientPPS/Annual-Policy-Files, Addendum B. These files are updated quarterly.

Review of Addendum B applicable to the May 31, 2016 date of service finds the following:

- Procedure codes 97140 and 97112 have status indicator A denoting services paid under a payment system or fee schedule other than OPPS.

Per 28 Texas Administrative Code §134.403(h),

for outpatient services for which Medicare reimburses using fee schedules other than OPPS, reimbursement is made using the applicable Division fee guideline in effect for that service on the date the service was provided.

Payment for this service is calculated according to the Medical Fee Guideline for Professional Services, §134.203(c) which states in pertinent part,

To determine the MAR for professional services, system participants shall apply the Medicare payment policies with minimal modifications.

For service categories of Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Radiology, Pathology, Anesthesia, and Surgery when performed in an office setting, the established conversion factor to be applied is (date of service yearly conversion factor)

The calculation of the maximum allowable reimbursement is as follows:

Submitted code	DWC Conversion Factor	Medicare Conversion Factor	Medicare Allowable	Units	Maximum allowable reimbursement
97112	56.82	35.8279	\$32.51	1	$56.82/35.8279 \times \$32.51 = \51.56
97140	56.82	35.8279	\$28.87	2	$56.82/35.8279 \times \$28.87 = \$45.78 \times 2 = \$91.57$
				Total	\$143.13

The total allowable for the May 31, 2016 services in dispute is \$143.13.

4. The Division has found the total recommended payment for the services in dispute is \$143.13. This amount less the amount previously paid by the insurance carrier of \$122.29 leaves an amount due to the requestor of \$20.84. This amount is recommended.

Conclusion

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is \$20.84.

ORDER

Based on the submitted information, pursuant to Texas Labor Code Sec. 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services in dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of \$20.84, plus applicable accrued interest per 28 Texas Administrative Code §134.130 due within 30 days of receipt of this Order.

Authorized Signature

_____	_____	October 26, 2016
Signature	Medical Fee Dispute Resolution Officer	Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, 37 *Texas Register* 3833, applicable to disputes filed on or after June 1, 2012.

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MFDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.